C2710-3

Automotive News

November 13, 1989

©Entire contents copyright 1989, by Crain Communications, Inc. All rights reserved.
Reproduction or use of editorial content in any manner without permission is strictly prohibited.

64th year—$60.00 per year, $1.50 per copy

Petersen will retire March 1

Poling moving up to Ford chairman

By Charles M. Thomas and Laura Clark
AUTOMOTIVE NEWS STAFF REPORTERS

DEARBORN, Mich. — The surprise early retirement of Ford Motor Co. Chairman Donald E. Petersen gives his longtime associate Harold A. "Red" Poling an unexpected chance to run the company.

An emotional Petersen said Friday that he will retire March 1 from the company, which has gobbled up market share during his reign.

Stewardship of the company will pass to Poling, vice chairman and chief operating officer, who was voted to succeed him by the board of directors.

Petersen's voice trembled and tears welled in his eyes as he told the media and Ford employees, who crowded TV monitors at Ford headquarters in Dearborn, that his energy level had declined and he wanted to make a change in his life.

He cited the philosophy of Ernie Arbuckle, one-time dean of the Stanford graduate business school, who liked to change jobs every 10 years as a way of "repotting" himself.

"Well, 10 years are up and it's time to repot myself," said Petersen, 63, who will have been Ford's chief operating officer or chief executive officer for 10 years.

Poling, 64, has been a most visible No. 2 man, typically showing up with Petersen at company announcements and representing Ford at many major events.

Petersen said he told Poling of his decision only two weeks ago, although he had been thinking about it since last spring.

"I told him just before he boarded an airplane for Australia," mused Petersen. "He had 20 hours to think about it."

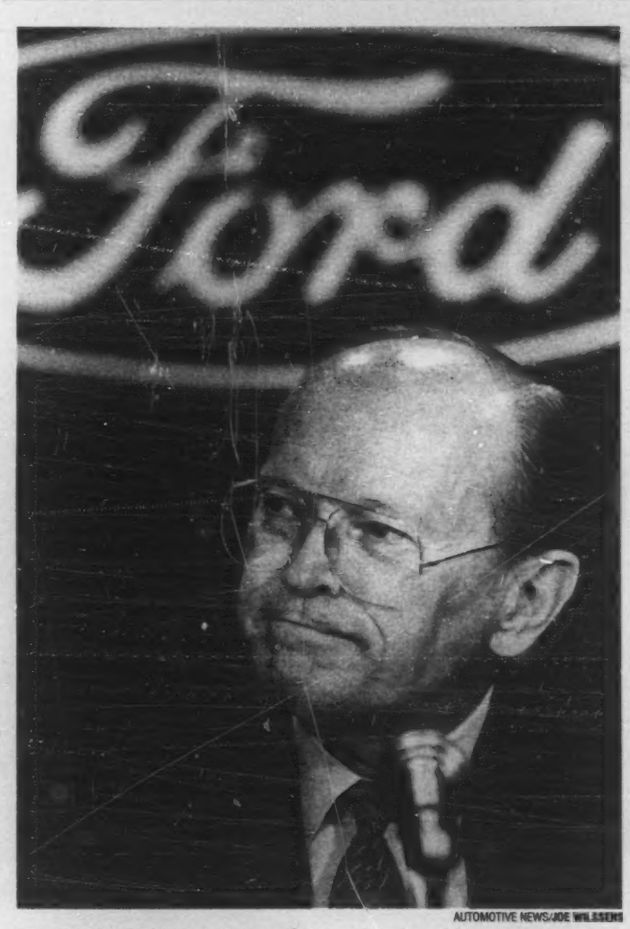
He and Poling apparently struck a deal whereby Poling agreed to extend his stay at Ford Motor Co. beyond his 65th birthday next September, if Petersen retired early.

Poling made it clear he will not work beyond three years, when he will be 67.

"I told him I already work seven days a week and can't work any harder," said Poling.

Petersen's pending retirement caused other executive promotions. Philip E. Benton Jr., who has been a corporate executive vice president and president of the Ford au-

see FORD, page 42



AUTOMOTIVE NEWS/JOE WILLIAMS

Donald Petersen fights back tears Friday as he tells of his early retirement.

Saab to merge cars with Fiat's Lancia; announcement near

By Luca Ciferri
STAFF CORRESPONDENT

TURIN, Italy — Fiat Auto of Italy and Saab-Scania of Sweden are close to announcing a merger of their Lancia and Saab automotive divisions.

A Lancia-Saab grouping could make Fiat Auto the largest luxury-carmaker in the world by unit volume.

Under the proposed plan, the replacement for the aging Saab 900 would be produced in Italy, while the Lancia Thema would be produced in Sweden along with the Saab 9000, which shares the same platform.

A public announcement by Dec. 15 is expected to clarify the main details of the merger.

Even before the Oct. 20 collapse of Saab's talks with Ford Motor Co., Saab and Fiat were known to have discussed joint projects.

Spokesmen for Fiat and Saab have admitted only that links between the two companies will be "broader than simple technical cooperation."

Well-informed sources here say the merger will be achieved in three phases. The links will not involve either group's truck division.

In the first step, Lancia and Saab Division will be transformed into autonomous companies with their own capital and plants. Currently they are operating divisions of Fiat Auto S.p.A. and Saab-Scania AB respectively.

In the second stage, Fiat and Saab-Scania will become equal partners in a new financial holding company. The holding company will be responsible for two new companies, Lancia Automobili S.p.A. and Saab Car AB.

The holding company is likely to be based in a neutral European capital. Sources say Amsterdam, the Netherlands, is the favorite. Fiat's Iveco BV holding company, which oversees truck and bus operations throughout Europe, has been based in Amsterdam since its creation in 1975.

see FIAT-SAAB, page 42

AUTOMOTIVE NEWS / CHRISTINE BEEVER

Japan chills automaker expansion

By Mary Ann Maskery
AUTOMOTIVE NEWS STAFF REPORTER

On Oct. 5 Minister Hikaru Matsunaga allegedly told carmakers "to take a prudent attitude toward increasing capacity."

TOKYO — Mazda's ambitious plans to expand capacity in Japan have apparently been scaled back after a word from the Ministry of International Trade and Industry.

The ministry's call for a show of prudence also has cooled expansion plans any other company might be harboring.

The Japanese government is feeling the pressure of U.S. protests against heavy capital investment in Japan. U.S. officials have expressed concern that overcapacity in Japan would lead to another export boom, which Undersecretary of State Richard McCormack said would be increasingly difficult for the world to cope with.

McCormack made appeals for curbs on capital spending in Japan during two days of biannual subcabinet-level talks in Washington that ended Nov. 4.

Heavy capital investment is particularly apparent in the automotive industry, where companies are competing to meet the needs of a growing domestic market.

Mazda estimates that its domestic sales for 1989 will reach 450,000 units. It hopes to increase sales to 800,000 by 1992. To meet that target, Mazda said it will have to increase production, and it is already making plans to expand and renovate its facilities at Hofu.

The change in attitude seems to stem from Oct. 5, when Minister Hikaru Matsunaga met with the leaders of all auto and truck companies. He told them to "take into account conditions inside and outside Japan and to take a prudent attitude toward increasing capacity," said a source at the talks.

Before that meeting, Mazda had indicated plans to expand capacity by about 240,000 vehicles a year. Now, Mazda says it has "not decided yet" on any specific figures for expanded capacity. The company said it is talking with local officials in Hofu about power needs, access roads and available labor and is not ready to announce any conclusion.

Takao Suzuki, head of the auto

see CAPACITY, page 42

CHINA: *Once promising market faces uncertain future*

By Steven Vines
STAFF CORRESPONDENT

HONG KONG — Poor sales forced Guangzhou Peugeot Automobile Co. to shut its plant Nov. 3 for an indefinite period.

That followed the two-week closure of the Shanghai Volkswagen plant at the beginning of October and production cuts of Cherokee four-wheel-drive vehicles at the Beijing Jeep plant jointly owned by Beijing Automotive Works and Chrysler Corp.

Meanwhile, General Motors and Fuji Heavy Industries have pulled out of a proposed joint venture to make cars in northern China.

The major foreign automotive joint-venture companies in China are in deep trouble as the country

see CHINA, page 41

NEWSPAPER
#26J0000000005-DIGIT 20814
#03032290B 28O1AN946 COMPEQZ
ACQ EDITOR
ACQ EDITOR SRI
CONGRESSIONAL INFO SERV
4520 E#ST-WEST HWY STE8
BETHESDA MD 20

GM drops 4 points of share:
The General Motors car-market share slipped to 31.94 percent for October, and Japanese makers picked it up. Complete sales report, Page 24.

Campana retires after 10 years at Chrysler Motors

By Arlena Sawyers and Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTERS

In July 1979, Joseph A. Campana followed Lee Iacocca from Ford Motor Co. to Chrysler Corp. — at a time when Chrysler teetered on the verge of bankruptcy.

Last week the 52-year-old former vice president of Chrysler Motors' Chrysler-Plymouth Division decided to take an early retirement, and became the first casualty of the campaign to streamline marketing operations.

Agencies react to Chrysler, Page 43

Campana said he decided to retire so he can spend more time on the golf course.

"Quite frankly, one of the major reasons for my deciding at this time to step aside was a recognition that after 30 years in the business and having been in on many of the tough markets of the past, I think I was ready to do a little more golfing," Campana told reporters in New York last week. He will retire at the end of the year.

"I will be involved with the company until I reach age 55."

Asked if he would be a consultant to the company, he said that was too strong a phrase: "I will be available as they need me."

Campana

Last week, Chrysler Motors announced that it will consolidate its three existing divisional marketing groups into one operation and dismantle the company's four-year-old holding company by the end of the year.

Campana was the odd man out.

Under the reorganization, Chrysler created two new positions that will be responsible for product marketing and product development. John B. Damoose was named vice president of brand marketing, responsible for all customer-oriented marketing programs and for maintaining brand identification in the marketplace. He was formerly vice president of the Dodge car and truck division.

Joseph E. Cappy was named vice

see RETIRE, page 43

Story puts Flossmoor in spotlight

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

Illinois State Trooper Jim Minx has become something of a media star since an Automotive News article on Oct. 30 publicized his plight — owning a pickup truck in Flossmoor, Ill.

He has had to sit still for photo sessions with national newspapers and magazines and has been interviewed by radio and TV stations from every corner of the country.

But it hasn't been all bad. Besides moral support, he has received financial help.

For more than two decades, Flossmoor has had an ordinance that essentially bans pickup trucks in the community.

Although it's OK to make deliveries in pickups, local pols don't want them parked in Flossmoor overnight.

Residents who own pickups either had to park them outside the village and walk home, or face $10 tickets for parking them in their driveways or garages.

In May, Minx succeeded in getting village officials to amend the ordinance to allow pickup truck owners to park them in their garages overnight.

He also has sued the village in federal court in Chicago to get the ordinance overturned as unconstitutional.

Minx said that on the day after the article appeared, radio and television stations from across the nation began phoning him for interviews.

STAN INSKEEWICZ

Interviews have kept Illinois State Trooper Jim Minx busy.

"I had 27 radio interviews from stations as far away as Vermont and Orlando," he said. "*ABC Nightly News* did an interview, and I got called from the news program *Current Affairs*."

Minx has had six photo sessions with newspapers and magazines from as far away as Washington and Dallas.

"I never expected to get such a response," he said. "But I still haven't heard from any of the automakers."

All the media attention over his battle with city hall has helped his crusade.

"A Teamsters local called to say it was organizing a boycott of all delivery trucks into Flossmoor," said Minx.

A Chicago radio station held a pickup truck rally in Flossmoor on Nov. 2, drawing some 30 vehicles. The rally included a parade through town with signs protesting the ordinance.

Minx also has received checks in the mail from people who support his effort to overturn the ban on pickup trucks in Flossmoor.

"A man from Florida sent me $500 for my defense fund," he said. "And a radio station in Phoenix raised $250 to pay for my parking tickets."

Minx said he has received about $1,000.

Meanwhile, village officials are mum on all the publicity, except to say that Minx should have asked the police department for permission to park his pickup in his driveway overnight.

Success of Saab's Malmo assembly plant may depend on U.S. sales

By Jim Henry
AUTOMOTIVE NEWS STAFF REPORTER

MALMO, Sweden — Saab car division's brand-new assembly plant here in southern Sweden could become a white knight or a white elephant.

It depends largely on how well Saab does in the United States.

Either way, it seems obvious that the last thing the company needs right now is more excess capacity.

Saab's capacity is already about 140,000 units a year compared with projected 1989 worldwide sales of about 120,000.

With the new plant, Saab's capacity should reach about 180,000 in the next two to three years.

Further, the $600 million-plus Malmo plant will build cars primarily for the United States, Saab's worst-performing market in recent years even though it remains the largest export market.

"The decision to establish this (Malmo) factory was made when the market looked different, especially in the United States," said Jan-Erik Larsson, senior vice president and general manager of Saab car division.

Planning for the Malmo plant began in 1986, when Saab-Scania of America reached its peak by selling 48,246 cars. It followed five consecutive years of record sales.

U.S. volume for 1989 is on a 34,300-car pace.

To try to boost sales in the United States, the company will hold the 1990 price on its entry-level 900 at $16,995, despite the addition of a standard driver-side air bag and anti-lock brakes.

Nevertheless, "There will probably be a problem (in the U.S.) next year," Larsson said.

"For '90, we're already seeing higher rebates, and, of course, that worries us. Nobody can afford to sell cars that way for a long time."

Larsson said that about 70 percent of Malmo's output will go to the United States, with the rest earmarked for Japan.

He said Saab intends to concentrate on its existing markets, but emerging markets like the Far East are part of the company's plans to use its excess.

The Malmo plant is due to hit its 38,000-unit annual rate by the end of 1990. Larsson said Saab must increase volume to justify its investment.

"Our goal is we have to come up in volume to make use of all the costs we have invested. We are forced to do that," he said.

The new Malmo plant initially will build only the 900, a model that is more than 10 years old. Once the plant has proved itself on the tried-and-true 900, it will start building Saab's newer 9000, introduced in 1986.

Saab officials at the plant opening last month said production of the 900 will continue "well into the '90s."

Two days later, Saab announced that talks with Ford Motor Co. had fallen through. Saab remains in search of a partner, primarily so it can devote more resources to product development.

Meanwhile, Saab's productivity is among the worst in Europe.

It takes Saab longer to build a car than most other European manufacturers. Company officials would not disclose exact figures.

Saab estimates absenteeism robs its plants of 25 percent of its workers every day. That figure includes women who can take up to

see SAAB, page 10

INDEX

Around the world	22-23
Auction dates	29
Classifieds	30-37
Dealing with dealers	37
Engineering	20
Incentive watch	44
Late news	8
Legal briefs	39
Opinion	12
Personnel	26
Production	45
Sales, car	24
Sales, truck	18
Truck industry	18

64th year—No. 5313

Advertising Production Department .. (313)446-6083
Circulation Department
In Michigan ..... (313) 446-0460
Outside Michigan 1-800-992-9970
Classified Ad Department ..... (313) 446-0065
Display Ad Department ..... (313) 446-6030
Editorial & Business Offices ..... (313) 446-6000

AUTOMOTIVE NEWS (ISSN 0005-1551) is published weekly except semiweekly the fourth week in May at 1400 Woodbridge, Detroit, MI 48207. Second-class postage is paid at Detroit, MI and at additional mailing offices. Postmaster: Send address changes to AUTOMOTIVE NEWS, Circulation Department, 965 E. Jefferson, Detroit, MI 48207.

Bidwell, Tonkin 2nd-nighters at World Congress

Bennett E. Bidwell, Chrysler Motors chairman, and Ron Tonkin, president of the National Automobile Dealers Association, will address the Monday night session of the 1990 Automotive News World Congress, which will be held Sunday through Wednesday, Jan. 7-10, at the Westin Hotel in Detroit.

The 14th Automotive News World Congress, held in conjunction with the North American International Auto Show, is expected to draw industry leaders from around the world.

Speakers are experts and executives from the manufacturing, supplier and dealer sectors of the automotive industry.

Bidwell, recognized as one of the industry's most capable sales and marketing executives, has had two careers in the automobile industry, one at Chrysler and the other at Ford Motor Co.

Bidwell's career includes 27 years with Ford and a stint as president and chief operating officer of Hertz Corp.

Bidwell joined Chrysler in 1983

see CONGRESS, page 43

REGISTER TODAY

Enclosed is a check for $ _____ payable to Automotive News World Congress or charge my ☐ Visa ☐ MC

Account No. _____

Expiration Date _____

Signature _____

The amount covers:

☐ $550 Early Bird Registration, mailed by Nov. 24.
☐ $650 Registration, mailed after Nov. 24.
☐ $100 Non-refundable deposit. (Balance may be paid at World Congress desk.)
☐ $275 One day registration
☐ Monday, Jan. 8, or ☐ Tuesday, Jan. 9.
☐ $50 for Tuesday Evening Gala only, per person. Tables for 10 available. (Gala included in full registration.)
☐ Please send additional information.

NAME _____

TITLE/DIVISION _____

COMPANY _____

ADDRESS/ROOM# _____

CITY _____ STATE _____

COUNTRY _____ ZIP _____

PHONE NO. ( ) _____

CABLE ADDRESS _____

Mail to: World Congress
UMTRI/OSAT
2901 Baxter Rd.
Ann Arbor, MI 48109-2150
Attn: Wendy Barhydt, Coordinator

Big-truck orders climb for month

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

Net new orders for heavy trucks in September trailed last year's total but were up sharply from their depressed level in August.

Indicators such as order cancellation rates and good inventory control suggest a steady improvement in the market. But overall sales are still expected to continue at moderate levels during the coming year.

As financial analysts point out, demand in the current sales cycle has peaked, and the only question is how long and how severe the near-term downturns will be.

Net new orders for Class 8 trucks totaled 8,901 in September, down 29 percent from September 1988, but 40 percent ahead of the August total, according to Deutsche Bank Group of New York.

But Deutsche Bank said it believes the order trend will improve moderately improve in 1990.

The reduction in the cancellation rate on new-truck orders is one reason for that optimism. Cancellations declined from more than 20 percent during the summer to a more normal 14 percent in September, according to Frank Prezelski, heavy-truck analyst with Deutsche Bank.

Production continued to exceed orders in September, reducing the backlog of Class 8 truck orders to just under 43,000.

Deutsche Bank expects a convergence of production and order rates within the next few months, which should stabilize order backlogs at about 35,000 units.

Production has been declining sharply, and all manufacturers have indicated sharp schedule cuts for November and December.

September's Class 8 sales of 11,253 were down 14.69 percent from a year ago and were slightly below the 11,851 units retailed in August, according to the Motor Vehicle Manufacturers Association.

If the current rate of decline continues, sales for calendar 1989 will be about 147,000 units, down slightly from 148,657 in 1988.

Meanwhile, the industry is continuing to control inventories.

Inventories totaled 21,505 units Sept. 30, equal to a supply of 1.91 months, Deutsche Bank said.

Because of soft demand, the ratio of inventory to sales has been creeping up, though it is not expected to reach the dangerous levels seen in previous cyclical downturns.

Although order rates have moved up from last summer's depressed levels, they are still low. They are expected to remain in the 7,000- to 9,000-unit range for several months and then accelerate moderately. The outlook for 1990 is a 10 to 15 percent decline from this year's projected total of 147,000. That would put sales in the range of 125,000 to 132,000

Oppenheimer & Co., a New York-based financial firm, said that engine manufacturers are changing designs to meet the 1991 federal fuel-emissions standards. Those units will cost more and may initially be less reliable than the well-tested engines now on the road.

That will likely spur some pre-buying by truck users, artificially boosting 1990 sales to the detriment of 1991, said Oppenheimer analyst Charles S. Harris.

Pre-buying will likely add an extra month's worth of sales to 1990, added Prezelski, with most of the pre-buying expected to occur toward the end of 1990.

Plastic pickup box

Gary Johns of Rockwell Butler Polymet, Troy, Mich., stands next to a pickup box, which uses the company's fiberglass reinforced plastic box inner. Rockwell supplied the inner for the 1990 Ford Ranger. The material is 30 percent lighter than steel and could eliminate a bedliner.

Final-stage makers fight NHTSA ruling

Helen Kahn
SENIOR CORRESPONDENT

WASHINGTON — The National Truck Equipment Association has sued NHTSA over safety standard 204, which limits rearward displacement of steering columns. The suit was filed in the U.S. Court of Appeals for the 6th Circuit in Cincinnati.

The association has 1,400 members consisting of small businesses that manufacture or distribute truck bodies and related equipment.

Under NHTSA definition, they become final-stage manufacturers of commercial light trucks. They are thus responsible for certification of compliance with safety standards, unless they can get a "pass-through" of certification from the much larger makers of the chassis — often companies like Ford or General Motors.

In November 1987, NHTSA extended standard 204 to all light trucks, buses and multipurpose passenger vehicles with a GVW rating of more than 10,000 pounds or an unloaded vehicle weight of 5,500 pounds or less.

Certification for completed pickups and vans made for consumers by an auto company comes from the single manufacturer. But effective Sept. 1, 1991, truck equipment association members that are final-stage manufacturers must certify compliance with the steering column displacement standard for tens of thousands of customized trucks with unloaded weights between 4,001 and 5,500 pounds.

The National Truck Equipment Association petitioned for reconsideration in December 1987, saying its members have neither the money nor the technology to conduct crash tests. The association added that NHTSA failed to provide an alternative and failed to show a need to extend the standard to multistage vehicles.

NHTSA denied the association's petition in June 1989, saying that alternative means of complying were available. For example, said NHTSA, final-stage makers may "pass-through" the underlying certification of the chassis maker.

In its brief filed in the Cincinnati court, the association said that NHTSA failed to write a standard that is "reasonable, practicable or appropriate for the particular type of motor vehicle."

The agency did that by requiring a final-stage maker to conduct a test it is unqualified to make, the brief said. Other options would require use of an oversized chassis to avoid crash testing, or a "pass-through" certification from the chassis maker, which may not always be possible, the association said.

Testing imposed on final-stage makers, said the association, is not "practicable, appropriate or objective." It added that NHTSA's cost-benefit analysis did not address low-weight, multistage commercial vehicles. Moreover, said the association, NHTSA omitted material documents from the record.

The standard is, therefore, invalid, the National Truck Equipment Association concluded, because it is "arbitrary, capricious and an abuse of discretion."

LIGHT-DUTY TRUCK SALES, OCTOBER

	Oct. 1989	Oct. 1988	10 Mos. 1989	10 Mos. 1988
Vans	12,573	16,380	145,611	160,167
Aerostar	13,385	13,120	163,992	155,620
Club Wagon	2,297	2,959	21,713	23,128
Ranger	23,311	20,930	237,235	260,097
Bronco	5,132	4,913	52,394	44,386
Bronco II	9,022	9,287	92,380	105,646
Pickups	39,615	49,835	487,265	475,179
Ford	**105,335**	**117,424**	**1,200,590**	**1,240,926**
Vans	7,060	8,929	102,963	106,283
Sportsvan	614	885	8,610	10,815
Geo Tracker	1,194	486	8,511	500
Astro	9,195	11,401	126,924	135,827
Lumina APV	1,740	0	1,808	0
S-10	16,964	22,397	199,152	211,487
S-10 Blazer	13,802	18,870	152,575	149,051
El Camino	0	0	0	420
Blazer	1,887	2,574	18,988	22,258
Suburban	5,223	6,072	55,496	54,828
Pickups	30,787	43,252	453,010	428,818
Chevrolet	**88,466**	**114,866**	**1,128,037**	**1,120,267**
Pontiac Trans Sport	**859**	**0**	**859**	**0**
Olds Silhouette	**310**	**0**	**310**	**0**
Vans	4,455	5,194	59,718	50,010
Ram Wagon	1,541	2,152	20,872	21,884
Voyager	12,556	13,849	154,123	162,995
Caravan	15,839	16,575	169,682	177,550
Caravan C/V	729	1,265	11,849	16,694
Town & Country	311	0	1,279	0
Ram 50	2,557	3,124	25,491	47,402
Raider	1,271	1,084	8,216	6,187
Ramcharger	1,495	1,474	16,660	15,955
Dakota	7,556	6,624	75,991	79,782
Pickups	9,195	5,568	74,003	69,629
Chrysler	**57,505**	**56,909**	**617,884**	**648,068**
Vans	2,607	3,305	35,606	39,539
Safari	2,051	2,472	27,729	28,888
S-15	4,055	4,577	44,410	44,504
S-15 Jimmy	3,534	4,443	37,102	36,156
Jimmy	558	864	5,521	6,211
Caballero	0	0	0	60
Suburban	1,858	1,799	19,486	18,778
Pickups	9,315	11,100	129,232	118,408
P Model	274	248	3,242	3,618
W-4	167	119	1,151	1,276
GMC	**24,419**	**28,727**	**303,479**	**297,438**
Wrangler	3,610	3,713	44,409	34,800
Wagoneer	487	876	5,539	7,393
Cherokee	11,432	13,581	133,127	121,606
Grand Wagoneer	798	1,350	9,085	11,781
Comanche	2,251	2,915	22,077	33,313
J-10/J-20	0	0	0	221
Jeep	**18,578**	**22,435**	**214,237**	**209,114**
Toyota	17,189	18,160	190,404	210,043
Nissan	9,583	11,332	128,987	142,980
Mazda	5,861	6,122	68,635	81,136
Isuzu	10,438	8,311	83,356	73,480
Mitsubishi	2,664	3,411	31,035	36,856
Suzuki	2,211	1,493	21,996	52,010
Subaru	0	0	0	10
Range Rover	292	287	3,854	2,814
Imports	**48,238**	**49,116**	**528,269**	**599,334**
Industry Total	**343,710**	**389,477**	**3,993,685**	**4,115,187**

Compiled by Karen Berkowski

TRUCK BRIEFS

GMC gets high CSI

PONTIAC, Mich. — Compact-truck customers get the best treatment from salespersons at GMC Truck dealerships, according to a J.D. Power and Associates survey.

GMC Truck dealerships topped the New Compact Truck Sales Satisfaction Index in the segment that included buyers of 1989 pickups, sport-utilities and vans.

In a Light-Duty Truck Customer Satisfaction Index report, Power also said that owners of 1988 GMC compact S-15 Jimmy and full-sized Jimmy sport-utility trucks and Suburban wagons are the most satisfied owners of domestic compact and full-sized sport utilities.

The Sales Satisfaction Index surveys owners three months after they purchase a new vehicle on how salespersons treated them when they purchased the truck, on the information they were given during delivery of the vehicle and on the quality of the truck. This is the first year Power's Sales Satisfaction Index has surveyed buyers of compact trucks.

Oshkosh profits decline

OSHKOSH, Wis. — Oshkosh Truck Corp. estimates that profits declined significantly in the fourth fiscal quarter that ended Sept. 30. Firm figures for the period have not been announced.

Oshkosh President John Carroll said he believes the fourth-quarter profit was 50 to 75 percent below last year's profit of $4.5 million.

He attributed it to higher startup costs of the firm's restructured chassis division in the face of a softer motor home market and significantly higher administrative costs for complying with government contractor regulations.

Idealease adds members

BARRINGTON, Ill. — Idealease Inc., one of the largest independent truck rental and leasing companies, added five new dealers to its network.

Idealease has 205 members and 340 locations throughout North America. Its members have about 12,000 straight trucks and tractors in service.

New members are Cerni Motors of Niles, Ohio; TDM Leasing of Sanborn, Minn.; Interstate Truck Leasing of Albert Lea, Minn.; Idealease of Norfolk of Norfolk, Neb.; and Sardis Truck Rental of Sardis, British Columbia.

SALES

DOMESTIC CAR SALES, OCTOBER

	Oct. 21, to Oct. 31, 1989	Same Period, 1988	Oct. 1989	Same Month, 1988	Jan. 1, to Oct. 31, 1989	Same Period, 1988
Alliance	0	0	0	0	0	4,418
Eagle	0	0	0	0	0	1,392
Talon	734	0	1,756	0	3,862	0
Premier	500	1,535	1,930	4,248	37,220	33,934
Total Eagle	1,234	1,535	3,686	4,248	41,082	39,744
Horizon	990	1,674	2,498	4,863	36,047	54,213
Laser	793	0	1,851	0	16,427	0
Sundance	2,374	2,887	6,124	7,859	73,955	74,271
Turismo	0	0	0	0	0	1,115
Reliant	743	3,215	2,050	9,567	30,890	96,584
Acclaim	4,242	0	10,246	0	75,981	0
Caravelle	0	130	0	431	733	12,511
Gran Fury	0	348	0	806	1,443	11,441
Total Plymouth	9,142	8,254	22,769	23,526	235,276	250,135
LeBaron K	0	202	0	679	787	19,579
LeBaron J	2,684	2,640	7,194	6,173	74,668	85,015
LeBaron GTS	135	270	366	910	4,262	14,045
Fifth Avenue (rwd)	100	655	264	1,856	11,014	32,756
Fifth Avenue (fwd)	1,275	0	3,494	0	5,456	0
New Yorker C	1,187	3,021	3,257	8,156	68,530	64,473
New Yorker E	0	49	0	86	237	14,467
Total Chrysler	5,381	6,837	14,575	17,860	164,954	230,335
Omni	1,054	1,752	3,050	4,787	36,840	52,308
Shadow	2,357	3,310	6,264	8,382	69,923	77,373
Charger	0	0	0	0	0	1,022
Daytona	1,328	1,610	3,881	4,870	58,439	63,567
Aries	599	3,608	1,761	10,199	29,774	87,392
Lancer	108	188	240	784	2,887	9,291
Spirit	3,717	0	8,650	0	62,364	0
Diplomat	0	460	0	1,350	2,551	17,923
Dynasty	3,630	2,878	8,731	7,877	93,315	63,066
Dodge 600	0	106	0	490	808	11,489
Total Dodge	12,793	13,912	32,577	38,739	356,901	383,431
CHRYSLER MOTORS	28,550	30,538	73,607	84,373	798,213	903,645
Escort	8,896	11,144	23,708	33,884	296,857	328,494
Mustang	3,735	4,462	9,476	12,701	145,245	146,332
Tempo	6,550	7,588	24,833	25,041	197,996	241,737
Taurus	9,439	10,582	27,353	28,145	299,880	315,062
Thunderbird	2,896	1,995	10,203	6,072	107,806	103,434
Probe	3,586	4,145	10,216	11,596	117,325	57,243
Crown Victoria	2,328	2,990	7,016	9,513	95,144	97,596
Total Ford Div.	37,430	42,906	112,805	126,952	1,260,253	1,289,898
Tracer/Lynx	1,347	1,796	3,577	4,687	53,633	50,971
Topaz	1,908	2,911	6,050	8,258	75,104	76,687
Sable	2,864	3,270	8,027	8,112	97,241	101,660
Cougar	2,216	1,333	6,120	4,436	89,371	91,402
Grand Marquis	2,815	3,718	7,360	10,340	97,877	98,056
Total Mercury	11,150	13,028	31,134	35,833	413,226	418,776
Continental	1,809	2,168	4,593	4,769	46,955	35,501
Lincoln	3,610	2,944	9,020	10,100	98,142	103,090
Mark VII	511	837	1,308	2,249	22,101	18,538
Total Lincoln	5,930	5,949	14,921	17,118	167,198	157,129
Total L-M Division	17,080	18,977	46,055	52,951	580,424	575,905
FORD MOTOR CO.	54,510	61,883	158,860	179,903	1,840,677	1,865,803
Skyhawk	204	786	562	1,975	15,871	22,682
Somerset/Skylark	2,264	1,256	4,524	3,589	54,377	50,853
Century	4,007	4,807	9,249	12,512	113,773	106,952
Regal	1,765	3,441	4,063	9,776	67,750	105,022
LeSabre	4,369	3,765	10,158	10,708	125,851	119,434
Reatta	325	233	826	635	6,982	3,394
Electra	2,089	2,347	5,111	6,813	67,701	71,897
Riviera	461	595	1,132	1,438	16,301	8,337
Total Buick	15,484	17,230	35,625	47,446	468,606	488,571
Cimarron	0	92	0	286	240	5,419
Allante	76	55	245	161	2,882	2,797
Seville	520	768	1,441	1,900	18,593	17,908
DeVille	5,441	4,124	13,827	13,961	146,656	126,101
Brougham	1,920	1,051	3,878	3,120	31,205	39,547
Eldorado	734	941	1,789	2,460	26,302	25,762
Total Cadillac	8,691	7,031	21,180	21,888	225,878	217,534
Chevette	0	0	0	0	0	205
Geo Prizm/Nova	3,648	1,050	9,610	5,031	70,583	89,776
Cavalier	9,336	7,753	24,053	24,396	254,719	254,811
Camaro	1,960	2,690	4,701	7,542	87,785	82,257
Celebrity	954	5,997	2,491	17,579	137,230	210,629
Corsica/Beretta	6,138	7,826	16,292	22,888	296,092	330,315
Lumina/Monte Carlo	7,544	249	18,883	920	79,860	27,571
Caprice	3,014	5,364	7,507	15,180	134,489	143,713
Corvette	637	626	1,367	1,735	20,512	20,186
Total Chevrolet	33,231	31,555	84,904	95,371	1,081,270	1,159,463
Firenza	0	84	0	273	12	8,215
Calais	2,509	2,822	6,728	7,513	82,991	89,312
Cutlass Ciera	3,560	6,338	9,127	18,206	174,921	205,807
Cutlass Supreme	3,584	2,959	8,029	10,300	84,830	95,533
Olds 88	3,262	4,388	8,143	12,395	122,257	136,541
Olds 98	1,715	1,951	4,135	5,377	58,075	62,179
Toronado	551	300	984	967	7,725	13,252
Total Oldsmobile	15,181	18,842	37,146	55,031	530,811	610,839
Fiero	0	239	0	1,183	1,961	22,788
Pontiac 1000	0	0	0	0	0	154
Sunbird	5,279	2,818	12,075	8,027	87,689	71,767
Firebird	998	1,416	2,436	4,233	50,590	50,613
Grand Am	6,103	7,185	17,318	19,100	176,097	192,720
Pontiac 6000	1,436	2,599	5,279	7,556	60,017	82,664
Grand Prix	3,014	3,026	7,530	9,595	98,611	84,014
Bonneville H	2,406	2,734	6,526	8,173	77,012	91,885
Paris./Safari	46	153	131	494	3,747	5,882
Total Pontiac	19,282	20,170	51,295	58,361	555,724	602,487
GENERAL MOTORS	91,869	94,828	230,150	278,097	2,862,289	3,078,894
HONDA	15,605	14,354	30,717	32,713	324,085	310,597
Civic	7,272	6,373	15,339	13,299	146,152	98,692
Accord	8,333	7,981	15,378	19,414	177,933	211,905
MAZDA	1,129	1,854	2,179	3,153	34,755	26,193
MITSUBISHI	1,548	0	3,754	0	25,330	0
NISSAN	3,773	2,573	8,243	5,618	90,156	97,576
TOYOTA	7,809	3,937	16,656	5,958	168,012	51,208
VOLKSWAGEN	0	0	0	0	0	24,939
DOMESTIC TOTAL	204,793	209,967	524,166	589,815	6,143,517	6,358,855
IMPORT TOTAL			223,571	242,486	2,390,739	2,565,041
INDUSTRY TOTAL			747,737	832,301	8,534,256	8,923,896

U.S.-built Volkswagen models sold after June 30, 1989, are included in import totals.

GM car-market share dives below 32%

By Philly Murtha
AUTOMOTIVE NEWS STAFF REPORTER

General Motors lost four percentage points of car-market share in October and slipped to 31.94 percent for the month. It was GM's lowest market share of any month this year. The Japanese makes won the four points that GM lost last month.

The Japanese climb and the GM dive were the high and low points of a month that saw car and truck sales trail the year-ago total.

"Car deliveries have fallen right along with what we expected," said Ted Sullivan, auto consulting director of The WEFA Group in Bala Cynwyd, Pa. "We predicted a 6.5 million annual selling rate. In the final 10 days, it came in for domestics at 6.3 million."

In October, sales of imported and domestic cars and light trucks sagged to 1,091,447, down 10.67 percent from 1,221,778 last year.

Deliveries of U.S.-built and imported cars slumped 10.16 percent to 747,737, down some 84,000 from last October's 832,301.

Incentives flourished in October both years, although this year's rebates covered more of the newly introduced models than was the case last year.

In contrast to GM's loss of more than four points of market share in October, Ford Motor Co. and Chrysler Motors lost very little of their shares.

While Japanese cars gained almost four points at GM's expense, market shares of European and Korean cars slipped only slightly from last October.

In October, deliveries of U.S.-built cars fell 11.13 percent or 65,649 units. In the final 10 days of the month, domestic car deliveries trailed last year's comparable period by 2.46 percent.

Among the eight U.S. automakers, Nissan and Toyota reaped healthy year-to-year increases in domestic car sales because of incentives and consumers wanting to beat price increases.

"People came out to take advantage of the incentives. They were a little afraid of seeing big price increases. We sold 1,472 new vehicles vs. 1,162 a year ago," said Greg Penske, general manager of Longo Toyota, El Monte, Calif.

In October, the four U.S. car and light-truck makers delivered 828,156 vehicles, a decline of 11.57 percent from last year. Nissan sold 39.97 percent more U.S.-built vehicles than a year ago. However, the Big 3 automakers reported that U.S.-built car and light-truck deliveries were off from 8.57 to 18.38 percent this year.

MARKET SHARES, OCTOBER 1989

	Total Sales	Pct. of Total
SUBCOMPACT	88,286	11.81
COMPACT	145,752	19.49
INTERMEDIATE	201,120	26.90
STANDARD	86,570	11.58
SPECIALITY	2,438	0.33
IMPORT	223,571	29.89
TOTAL	747,737	100.00

IMPORTED CAR SALES, OCTOBER

	Oct. 1989	Oct. 1988	10 Mos., 1989	10 Mos., 1988
Acura	10,865	10,101	121,572	108,333
Alfa Romeo	151	222	2,644	3,885
Audi	2,114	1,947	17,984	20,282
BMW	5,391	6,262	55,278	59,548
Chevrolet	7,258	6,852	98,811	101,316
Chrysler	638	691	6,499	8,863
Daihatsu	1,512	1,017	12,381	9,583
Dodge	3,550	3,858	32,381	45,640
Eagle	1,375	2,275	21,127	14,710
Ford	5,123	4,799	61,105	58,265
Honda	24,538	23,972	209,965	211,893
Hyundai	14,663	16,232	160,705	225,198
Isuzu	604	1,539	15,167	21,399
Jaguar	1,507	1,849	15,389	16,762
Lexus	3,416	0	7,970	0
Maserati*	20	42	240	691
Mazda	16,780	16,405	188,060	190,928
Mercedes-Benz	5,974	6,671	62,304	70,576
Mercury	926	1,928	7,246	13,700
Mitsubishi	6,705	4,827	65,016	60,100
Nissan	30,712	20,803	352,064	295,818
Peugeot	426	582	5,188	5,676
Plymouth	3,554	3,367	30,354	40,830
Pontiac	1,351	6,039	42,505	52,094
Porsche	688	1,033	8,020	13,493
Saab	2,357	2,843	28,627	32,702
Sterling	510	600	5,054	8,093
Subaru	8,747	15,194	119,922	131,614
Suzuki	688	16	5,306	16
Toyota	41,508	57,797	418,046	505,625
Volkswagen	11,355	12,637	116,012	124,637
Volvo	7,697	8,080	88,504	84,759
Yugo	868	2,006	9,193	28,012
TOTAL	223,571	242,486	2,390,739	2,565,041

*-Estimate

U.S. CAR SALES BY MARKETING UNITS, OCTOBER

	Oct. 1989	Percent Share	Oct. 1988	Percent Share	10 Mos., 1989	Percent Share	10 Mos., 1988	Percent Share
Alfa Romeo	151	0.02	222	0.03	2,644	0.03	3,885	0.04
American Honda	66,120	8.84	66,786	8.02	655,622	7.68	630,823	7.07
BMW	5,391	0.72	6,262	0.75	55,278	0.65	59,548	0.67
Buick	35,625	4.76	47,446	5.70	468,606	5.49	488,571	5.47
Cadillac	21,180	2.83	21,888	2.63	225,878	2.65	217,534	2.44
Chevrolet	92,162	12.33	102,223	12.28	1,180,081	13.83	1,260,779	14.13
Chrysler	15,213	2.03	18,551	2.23	171,453	2.01	239,198	2.68
Daihatsu	1,512	0.20	1,017	0.12	12,381	0.15	9,583	0.11
Dodge	36,127	4.83	42,597	5.12	389,282	4.56	429,071	4.81
Eagle	5,061	0.68	6,523	0.78	62,209	0.73	54,454	0.61
Ford	117,928	15.77	131,751	15.83	1,321,358	15.48	1,348,163	15.11
Hyundai	14,663	1.96	16,232	1.95	160,705	1.88	225,198	2.52
Isuzu	604	0.08	1,539	0.18	15,167	0.18	21,399	0.24
Jaguar	1,507	0.20	1,849	0.22	15,389	0.18	16,762	0.19
Lincoln	14,921	2.00	17,118	2.06	167,198	1.96	157,129	1.76
Maserati	20	0.00	42	0.01	240	0.00	691	0.01
Mazda	18,959	2.54	19,558	2.35	222,815	2.61	217,121	2.43
Mercedes	5,974	0.80	6,671	0.80	62,304	0.73	70,576	0.79
Mercury	32,060	4.29	37,761	4.54	420,472	4.93	432,476	4.85
Mitsubishi	10,459	1.40	4,827	0.58	90,346	1.06	60,100	0.67
Nissan	38,955	5.21	26,421	3.17	442,220	5.18	393,394	4.41
Oldsmobile	37,146	4.97	55,031	6.61	530,811	6.22	610,839	6.84
Peugeot	426	0.06	582	0.07	5,188	0.06	5,676	0.06
Plymouth	26,323	3.52	26,893	3.23	265,630	3.11	290,965	3.26
Pontiac	52,646	7.04	64,400	7.74	598,329	7.01	654,581	7.34
Porsche	688	0.09	1,033	0.12	8,020	0.09	13,493	0.15
Saab	2,357	0.32	2,843	0.34	28,627	0.34	32,702	0.37
Sterling	510	0.07	600	0.07	5,054	0.06	8,093	0.09
Subaru	8,747	1.17	15,194	1.83	119,922	1.41	131,614	1.47
Suzuki	688	0.09	16	0.00	5,306	0.06	16	0.00
Toyota	61,580	8.24	63,755	7.66	594,028	6.96	556,833	6.24
Volvo	7,697	1.03	8,080	0.97	88,504	1.04	84,759	0.95
VWoA	13,469	1.80	14,584	1.75	133,996	1.57	169,858	1.90
Yugo	868	0.12	2,006	0.24	9,193	0.11	28,012	0.31
TOTAL	747,737	100.00	832,301	100.00	8,534,256	100.00	8,923,896	100.00
TOTAL GM	238,759	31.94	290,988	34.97	3,003,705	35.20	3,232,304	36.22
TOTAL FORD	164,909	22.05	186,030	22.42	1,909,028	22.37	1,937,768	21.71
TOTAL CHRYSLER	82,724	11.06	94,564	11.36	888,574	10.41	1,013,688	11.36
TOTAL JAPANESE	207,624	27.77	199,113	23.92	2,157,807	25.28	2,020,883	22.64
TOTAL EUROPEAN	39,058	5.22	44,774	5.38	414,437	4.86	494,055	5.54
TOTAL KOREAN	14,663	1.96	16,232	1.95	160,705	1.88	225,198	2.52

*—Estimate Big 3 totals include their captive imports. Percent share may contain error of one or two points due to rounding.
Sales charts compiled by Karen Dellowski

Tire to spare

E&G Classics, Columbia, Md., offers a 1990 Lincoln Town Car classic spare kit. Suggested retail price for the kit, installed, is $1,295.

Canadian sales rebound; Ford sets model-year mark

By Bill Vance
SPECIAL CORRESPONDENT

TORONTO — A summer-long drop in Canadian new car and truck sales showed signs of leveling off in September.

Sales of domestically built cars slipped less than one percent from the same month a year ago, while imports fell 2.06 percent. For the year, domestic car sales are trailing 1988's tally by 5.45 percent.

Ford of Canada posted a 13.38 percent gain over year-ago volume. General Motors of Canada sales fell 4.14 percent, and Chrysler Canada was off 9.52 percent. Ford's showing, it's strongest September since 1978, topped off the best total-vehicle model-year sales in the 85-year history of the Canadian company. Its combined 347,194 model-year sales edged the previous high of 346,950 of 1988 and helped Ford increase its share of the Canadian car market 1.4 percentage points, to 20.1 percent.

"The 1989 model year clearly belonged to Ford," said Jack Clissold, Ford vice president of sales and marketing.

While GM's overall car sales fell, it did well in the truck market. GM's domestic trucks gained 8.26 percent for the month, and its imports were up substantially.

Bill Atkinson, GM's marketing vice president, gave credit to the complete truck line.

Among other imported trucks and vans, Mazda continued to boom along. Its MPV van led the company to a 56 percent year-over-year rise.

CANADIAN CAR AND TRUCK SALES

Domestic cars	Sept. 1989	Sept. 1988	9 mos., 1989	9 mos., 1988
General Motors	22,039	22,991	244,650	270,684
Ford	15,419	13,599	146,709	140,384
Chrysler	9,966	11,015	95,262	114,035
Honda	2,045	2,386	20,169	12,094
Volvo	291	263	2,963	1,937
Domestic car total	**49,760**	**50,254**	**509,753**	**539,134**
Import cars				
Toyota	7,290	7,192	61,494	55,295
Honda	4,646	4,418	45,097	46,637
Hyundai	2,953	2,912	21,989	24,177
Nissan	2,535	2,687	21,895	23,699
Volkswagen	2,449	2,624	23,722	27,516
General Motors	2,244	1,699	22,875	21,813
Mazda	1,781	2,233	20,948	22,531
Chrysler	1,578	1,391	17,172	9,590
Subaru	501	838	4,699	6,094
Ford	409	732	6,700	5,256
BMW	387	435	3,340	3,865
Mercedes-Benz	312	325	3,195	3,300
Volvo	298	337	2,425	2,958
Suzuki	201	225	5,752	5,903
Saab	104	100	966	1,064
Jaguar	102	185	1,231	1,658
Lada	38	76	519	796
Peugeot	11	0	191	78
Skoda	10	27	145	292
Import car total	**27,849**	**28,436**	**264,355**	**262,522**
TOTAL — ALL CARS	**77,609**	**78,690**	**774,108**	**801,656**
Domestic trucks (including vans)				
General Motors	12,816	11,838	120,794	132,662
Ford	9,806	10,763	106,218	113,433
Chrysler	7,924	8,466	79,922	83,724
Domestic truck total	**30,546**	**31,067**	**308,934**	**329,819**
Import trucks (including vans)				
Mazda	1,827	774	13,673	8,765
Toyota	1,511	1,360	12,577	11,689
General Motors	1,116	249	8,210	1,292
Nissan	773	1,249	10,215	10,651
Suzuki	367	302	5,838	4,053
Chrysler	148	254	1,895	3,065
Volkswagen	137	52	672	733
Lada	8	14	187	115
Import truck total	**5,887**	**4,252**	**53,267**	**40,363**
TOTAL — ALL TRUCKS	**36,433**	**36,321**	**362,201**	**370,182**
TOTAL — CARS, TRUCKS	**114,042**	**114,011**	**1,136,309**	**1,171,838**

LEGAL BRIEFS

Would-be Ill. Lexus dealer can't sue

A person who is not an auto dealer cannot sue a distributor under the Illinois auto franchise law, according to the U.S. District Court for the Northern District of Illinois. The case is Knauz vs. Toyota Motor Sales U.S.A.

Henry W. Knauz, who applied to become a Lexus dealer, received a letter of intent from Toyota on April 29, 1988. But it was predicated on a number of conditions, including submission of a detailed set of building plans. Knauz said he met the building plan condition, but Toyota disagreed and rescinded its letter of intent on Aug. 15, 1988.

Knauz sued Toyota, alleging breach of contract and violation of the state auto franchise law.

Judge John A. Nordberg dismissed the franchise law count. He said the law "protects an existing dealership" but "forecloses the claim of a dealer who has applied for, but has not been granted, a new franchise."

— Helen Kahn

Montreal exporter out duels Chrysler

OTTAWA — Canada's Competition Tribunal has ordered Chrysler Canada to resume auto parts sales to a Montreal exporter.

The decision supporting Richard Brunet is seen as a precedent that will help small, independent marketers in their dealings with suppliers in all Canadian businesses, not just auto parts.

Brunet started an auto parts export business in 1976. He began to obtain parts from Chrysler Canada the following year. He then sold them in South America and Europe. In 1986, Chrysler told Brunet that all exports would be handled by Chrysler Corp. in the United States, and that if he wanted parts, he had to get them through the corporation.

Brunet said that meant increased prices and shipping problems. He tried to buy the parts directly from Chrysler stores in Canada, and that caused Chrysler Canada to send out a bulletin warning its dealers against that, he said.

Brunet's business dropped precipitously, and he took his case to the Competition Tribunal.

In ruling in Brunet's favor, the federal bureau noted that Chrysler may have had legitimate reasons for doing what it did, but that was not enough.

"There was no warning that he might be cut off, and there was no face-to-face meeting to discuss the situation," the tribunal said. "Brunet has been substantially affected by the denial of supplies. Losses of $200,000 in sales and $30,000 in gross profits constitute a substantial effect for a small business such as Brunet's."

Said Wayne Critchley, a senior official with the bureau, "This shows that the Competition Act provides protection for small businesses in this situation."

— Alex Law

Jury sides with GM in Chevette radio fire

A jury in Baltimore has absolved General Motors of liability in a federal court case involving an electrical fire in a 1982 Chevette.

Henry Danilowicz bought the Chevette from Alamo Auto Leasing, where it had accumulated 36,000 miles; he added 33,000 miles. When he sued GM, the Chevette was 4½ years old and had been driven nearly 70,000 miles.

The GM radio had been removed and replaced with a used eight-track tape player/radio, and the radio fuse had been changed from 10 to 20 amperes. When the instrument panel fire occurred, Danilowicz stopped the car but suffered an angina attack for which he was hospitalized.

He claimed the fire aggravated his heart condition, causing a second heart attack and more angina attacks.

The plaintiff's expert witness claimed the fire was caused by a manufacturing problem. GM's expert blamed the fire on the installation of the aftermarket radio.

— Helen Kahn

Chrysler, supplier cleared in fatal car fire

READING, Pa. — A jury has decided that Chrysler Corp. and United Technologies Automotive are not responsible for a fire in a police car that claimed the life of a Manheim, Pa., policeman.

After hearing nearly three weeks of technical testimony, the U.S. District Court jury concluded that a high-low headlight-beam-selector switch was not to blame for the death of Sgt. Delbert R. Flowers Jr.

Flowers' widow, Nancy, brought the product-liability suit, alleging that the headlight selector switch sparked the fatal blaze because it was defectively designed by United Technologies Automotive.

Nancy Flowers' attorney, Robert A. Longo, said she is considering an appeal, which would have to be filed by mid-November.

Sgt. Flowers, a nine-year member of the Manheim police force, died in the back seat of a 1982 Dodge Diplomat when the fire filled it with a lethal gas. The fire occurred Nov. 9, 1984.

Attorneys for the corporations successfully argued that the switch in question, with some 14 million in use since June 1978, was not defectively designed.

A witness speaking for Chrysler blamed the fatal fire on a short circuit that he said was caused by the improper installation of a wire after the car left the factory.

— The Associated Press

GM asks court to overturn award

HELENA, Mont. — An attorney for General Motors has asked the Montana Supreme Court to toss out a $1.3 million damage award against the automaker for a 1983 accident that left a man paralyzed.

Richard Bowman, a Minneapolis lawyer for GM, told the court a new trial should be granted because important information was kept from the jury during the original trial last year. Lawyer Dennis Conner, representing Andrew Krueger of Great Falls, contended the award should stand because GM manufactured a defective and dangerous product without warning consumers.

Krueger, 31, was injured in February 1983 while working under a 1976 Chevrolet four-wheel-drive pickup truck. When he removed the driveshaft to the front axle, the truck rolled over him. Krueger suffered a broken neck and is paralyzed from the chest down. Bowman argued before the court that the award would have been less had the jury been told that Krueger had a shorter-than-normal life expectancy because of drug abuse.

"There's every evidence that this individual was a habitual risk-taker," he said. He noted that Krueger was arrested three times in Texas for possession of marijuana in 1978-79, and was arrested in Great Falls in March 1988 for cocaine distribution. Such habits were detrimental to Krueger's health, Bowman said, and should have been known to the jury before it awarded damages based on Krueger's life expectancy.

Bowman also said the jury was improperly prevented from hearing testimony of GM expert Richard Keefer, who had tested several late-model, four-wheel-drive vehicles with the same type of transmission that was on the Chevy pickup. The tests showed that all the vehicles would roll when the front driveshaft is removed, Bowman said, showing that the allegedly unsafe design is still being used.

Prevented from proving that the transmission design in 1976 is no different or more unsafe than one used on 1988 vehicles, the company was hamstrung in presenting its case. Krueger assumed the risk when he removed the driveshaft without first applying the emergency brake or blocking the truck's wheels, Bowman said. Krueger was familiar with such vehicle repairs and should have known the danger, he said.

But Conner said Krueger is not to blame for his accident. "Andrew Krueger did not know the truck would roll," Conner said. "If he would have actually known of that danger, then he could be said to have assumed that risk." He criticized GM for raising the drug-use issue, saying it was done only to rouse prejudice against Krueger in the eyes of the court. He said the automaker never offered proof of a link between drug use and a shorter life for Krueger.

— The Associated Press

Former dealer sentenced on 3 used-car counts

Joseph L. Sperino, a former dealer who once sold BMWs and Mercedes-Benz cars from Prestige Motors in St. Louis, has been given a two-year suspended prison sentence on each of three counts of misrepresenting prices, consignment fees and warranties on used cars.

Sperino is now on supervised probation. The 1988 case dealt with incidents in 1986 and 1988.

A parallel civil suit charged Sperino with odometer fraud, repair fraud and falsely claiming affiliation with Boulevard Motors, an authorized Mercedes dealership. In a settlement, Sperino was barred from selling cars in Missouri and was fined $25,000. Of that, $20,000 was awarded to consumers who bought 19 vehicles from Sperino.

— Helen Kahn

Chrysler ad agencies restructure

By Arlena Sawyers
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — The marketing shake-up at Chrysler Motors has had a ripple effect for at least two of its advertising agencies which have restructured their own operations.

There is no indication yet that advertising spending or creative content will change as a result of the reorganization.

Campbell-Mithun-Esty Advertising/Detroit, which handles Chrysler's Jeep-Eagle Division account, last week restructured its management team and pink-slipped 12 "lower level" staff members and one supervisor partly as a result of Chrysler restructuring its marketing organization.

Ross Roy Communications, which does marketing programs for Chrysler, started reorganizing its operations two months ago with Chrysler's $1 billion cost-cutting program — among other things — in mind.

On the other hand, BBDO Worldwide, which handles Chrysler's Dodge account, said it has no plans to make any staff changes based on the automaker's reorganization.

Bozell, Jabobs, Kenyon and Eckhart of Birmingham, Mich., which handles Chrysler and Plymouth brand advertising, declined comment last week, but is considered likely to restructure.

The $20 million coporate advertising account handled by Bozell could be in jeopardy.

Advertising Age reported Chrysler officials have solicited corporate account ideas from BBDO and Campbell-Mithun-Esty, although there is no formal agency review in process.

Advertising Age said the expected 1991 retirement of Chrysler Corp. Chairman Lee Iacocca — the corporate ad spokesman — may be one reason the automaker is open to new ideas.

The trade paper said competitors may consider the Chrysler corporate account vulnerable because "Ronald DeLuca, Bozell's vice chairman and longtime confidante of Iacocca, has curtailed his day-to-day agency activities."

At Campbell-Mithun-Esty, Thomas Bernarden becomes senior vice president, management director, Jeep-Eagle Group and David Van Peursem was promoted to the newly created position of executive vice president, director of business development.

Bernardin was formerly management director of the Jeep Group and Van Peursem had been management director of the Eagle Group.

Under the restructured plan, Bernardin will direct all Jeep and Eagle domestic and international marketing functions including account services, media, collateral and research.

Van Peursem is now in charge of new business development and future planning strategies for the agency and clients.

According to Campbell-Mithun-Esty spokeswoman Eileen Wunderlich, the agency quadrupled its staff after Chrysler acquired American Motors two years ago. The 13 layoffs reduced the staff to 277.

"It's a very small percentage of the staff," she said.

"It's unfortunate, but it is the nature of remaining competitive."

Ross Roy Communications began its reorganization in September when it reduced its creative department to three work groups: Chrysler/Plymouth and Jeep Eagle Group; Dodge/Dodge Truck and Alfa Romeo Group and Consumer Promotions Group. Previously, there were five groups.

Earlier this month, former creative director Michael Labiak, was named director of creative services in charge of the streamlined creative groups.

Two months ago, Michael Webster was named management supervisor in charge of corporate and dealer merchandising for the new car divisions.

Campbell-Mithun-Esty's Wunderlich said her firm does not expect any changes in billings.

Richard Ward, Ross Roy's executive vice president and general manager, said "at this point we have not seen any reductions in billings, but I don't know what Chrysler's plans are." Wunderlich and Ward agree that the restructuring is a way to operate more effectively and efficiently.

Ross Roy's reorganization also involved a staff reduction, mostly through attrition.

"I don't know the total number — less than 10," Ward said.

Ross Roy Communications has 300 employees. It is a division of Ross Roy Inc., an advertising agency in Bloomfield Hills, Mich.

However, it's business as usual at BBDO Worldwide in Southfield, Mich., said William Kelly, president and chief executive officer.

"They're (Chrysler) going back to the system they had five years ago — more streamline," said Kelly. "We didn't change terribly much when they changed to the brand management system; we don't have any plans to change terribly much now."

While Bruce Andrews, senior vice president and assistant general manager at Bozell, Jacobs, Kenyon and Eckhart, refused comment, sources in the automotive advertising community expects the firm to follow Campbell-Mithun-Esty and Ross Roy's leads and make some staff changes.

IMPORT DAYS' SUPPLIES

	Nov. 1, 1989	Oct. 1, 1989	Nov. 1, 1988
Chevrolet	114	65	165
Chrysler Motors	106	73	146
Acura	52	39	34
Daihatsu	65	67	79
Honda	30	31	16
Isuzu	113	95	188
Lexus	30	16	—
Mazda	64	46	59
Mitsubishi	123	99	123
Nissan	99	77	126
Subaru	91	71	51
Suzuki	170	203	—
Toyota	49	37	19
JAPAN	69	55	57
Audi	94	70	115
BMW	60	80	65
Mercedes-Benz	27	37	38
Mercury	22	104	68
Porsche	90	91	93
VW	91	127	97
GERMANY	68	83	77
Alfa Romeo	114	140	156
Ford	103	84	144
Hyundai	41	49	67
Jaguar	34	35	30
Peugeot	90	90	95
Pontiac	108	43	83
Eagle/Chrysler	139	217	224
Saab	61	69	69
Sterling	73	70	89
Volvo	57	50	53
Yugo	120	108	140
Other Countries	62	60	86
Total Import Cars	68	59	65
Geo Tracker	192	148	—
Isuzu	81	95	109
Mazda	54	48	72
Mitsubishi	95	82	99
Nissan*	60	65	58
Range Rover	27	34	28
Suzuki	104	105	258
Toyota	49	48	24
Dodge	100	116	135
Total Imp. Trucks	69	71	70
Total Imp. Vehicles	68	61	66

*Includes domestic trucks

DOMESTIC DAYS' SUPPLIES

	Nov. 1, 1989	Oct. 1, 1989	Nov. 1, 1988
Talon	75	89	—
Premier	132	75	111
Total Eagle	105	79	111
Horizon	69	22	73
Laser	128	92	—
Sundance	59	38	58
Reliant	56	58	37
Acclaim	66	77	—
Caravelle	—	—	69
Gran Fury	—	—	43
Total Plymouth	69	52	52
LeBaron K	—	—	51
LeBaron J	99	102	76
LeBaron GTS	130	139	90
Fifth Avenue (rwd)	105	77	129
Fifth Avenue (fwd)	102	138	—
New Yorker C	97	73	67
New Yorker E	—	—	97
Total Chrysler	100	100	78
Omni	59	25	80
Shadow	50	37	52
Daytona	121	102	77
Aries	53	54	34
Lancer	142	146	110
Spirit	73	93	—
Diplomat	—	—	56
Dynasty	49	59	50
Dodge 600	—	—	68
Total Dodge	66	63	55
CHRYSLER MTRS.	75	67	62
Escort	105	61	71
Mustang	100	75	71
Tempo	51	82	50
Taurus	51	45	65
Thunderbird	71	76	83
Probe	112	100	43
Crown Victoria	75	52	56
Total Ford Div.	75	66	63
Lynx/Tracer	74	71	131
Topaz	86	69	59
Sable	72	59	78
Cougar	97	60	56
Grand Marquis	63	38	36
Total Mercury	78	57	66
Continental	66	62	41
Lincoln	47	49	50
Mark VII	81	57	84
Total Lincoln	56	53	52
Total L-M Division	71	56	61
FORD MOTOR CO.	74	63	62
Skyhawk	65	37	96
Somerset/Skylark	90	65	93
Century	97	50	72
Regal	163	71	124
LeSabre	74	39	73
Reatta	68	81	140
Electra	105	56	74
Riviera	101	45	59
Total Buick	97	52	86
Cimarron	—	—	63
Allante	103	75	158
Seville	80	66	67
DeVille	74	46	43
Brougham	71	55	71
Eldorado	94	49	84
Total Cadillac	76	48	55
Geo Prizm/Nova	117	125	109
Cavalier	66	51	64
Camaro	124	76	100
Celebrity	88	34	76
Corsica/Beretta	117	79	105
Lumina/Monte Carlo	67	81	69
Caprice	83	44	74
Corvette	109	46	90
Total Chevrolet	88	67	84
Firenza	—	—	90
Calais	89	60	100
Cutlass Ciera	66	19	48
Cutlass Supreme	140	84	97
Olds 88	98	44	72
Olds 98	88	55	62
Toronado	89	63	76
Total Oldsmobile	96	44	72
Fiero	—	—	72
Sunbird	41	58	38
Firebird	136	78	89
Grand Am	72	62	50
Pontiac 6000	67	67	74
Grand Prix	141	92	94
Bonneville H	85	58	83
Paris./Safari	48	27	87
Total Pontiac	79	68	67
GENERAL MTRS.	88	58	76
HONDA	32	32	16
MAZDA	99	63	46
MITSUBISHI	55	42	—
NISSAN	102	108	73
TOYOTA*	35	34	17
DOM. TOTAL	77	59	66
Subcompact	60	54	48
Compact	62	57	49
Intermediate	86	64	78
Standard	78	49	63
Speciality	95	54	96

*Estimate

INVENTORY

FROM PAGE 2

Mitsubishi and Yugo also were over 100 days.

Among the Big 3, GM's total domestic and captive import stockpile climbed 9.91 percent, to 812,643, on Nov. 1, for an 88-day supply. On Oct. 1, GM had a 58-day supply of unsold cars.

Combined car stocks for Ford Motor Co. rose 6.37 percent above Oct. 1 to 472,900, equal to a 75-day supply. Last month, Ford had a 64-day supply.

Chrysler Motors started November with 251,380 unsold U.S.-built and imported cars in stock, a 79-day supply, up from 68 days last month.

Except for Honda, all the Japanese carmakers with transplant operations here had higher combined car inventories and days' supplies on Nov. 1.

Honda was able to maintain a 31-day supply, although its combined car stocks rose 13.85 percent to 66,379. In October, Toyota's combined car stocks grew 22.38 percent to 101,371, a 45-day supply. That was up from last month's 37 days.

Nissan's combined car stocks rose 5.34 percent to 149,055, equal to a hefty 99-day supply, in spite of a 47.44 percent year-to-year sales gain last month.

Combined U.S.-built and import car stocks for Mazda rose 23.93 percent to 49,456, a 68-day supply.

Tokyo show draws record 1.9 million

TOKYO — The 28th Tokyo auto show drew a record 1,924,200 persons. The last Tokyo show, in 1987, attracted 1.29 million, and the old record was 1.5 million in 1969.

Some 330 domestic and foreign companies took part in the show, held Oct. 26-Nov. 6 at the new Makuhari Messe convention center.

This year's auto show in Frankfurt, West Germany, drew 1.3 million.

RETIRE

FROM PAGE 3

president for brand development and is in charge of "identifying customer wants and needs to ensure that Chrysler's product development meets those customer requirements," said the automaker in a prepared statement.

Cappy and Damoose will continue to report to Bennett E. Bidwell, Chrysler Motors chairman.

Campana, a Yale University graduate and former new-car dealer, spent 15 years in various sales and marketing managerial postions at Ford before joining Chrysler in July 1979. His title was director of marketing plans.

Credited with bolstering Chrysler's truck operations during the lean years, Campana's retirement marks the end of a decade on the fast-track with the company. He was promoted several times during his tenure:

- October 1980, director, marketing plans and programs;
- July 1981, general manager, truck operations;
- October 1982, vice president, marketing;
- August 1987, vice president, Chrysler-Plymouth marketing
- January 1988, vice president, Chrysler-Plymouth Division.

Calling the automobile industry a "cyclical business," Campana said he believes Chrysler is doing what it has to do to remain viable in a constantly changing, highly competitive market.

"We have to prepare for different times in the automobile industry," said Campana. "It's a cyclical business. Over the past several years, we've enjoyed an unbelievable time of good market conditions. Right now we are facing a time when there is great overcapacity in this country.

"That capacity has to be adjusted to demand. In that process, we have to be a lot more efficient in the way we run our business. I think Chrysler, in terms of restructuring, is doing all the right things, and they are doing it at a time when they are planning ahead of the need to do it as opposed to waiting."

CONGRESS

FROM PAGE 3

as executive vice president, in charge of sales and marketing and public affairs. In 1985 he was named vice chairman of Chrysler Corp., overseeing Washington affairs, personnel and organization, public affairs and corporate planning and marketing strategies.

Bidwell was instrumental in Chrysler's purchase of American Motors.

He was named vice chairman of Chrysler Motors in 1987, responsible for automotive sales and service activities, and marketing for all passenger cars and trucks.

He was named chairman of Chrysler Motors Corp. in November 1988.

Bidwell

Tonkin

Ron Tonkin owns several dealerships in Portland, Ore., ranging from Ferrari and Lotus to Dodge, Chevrolet and Suzuki.

During his nine months as president of NADA, the outspoken Tonkin has been one of the most visible NADA presidents in history. He has blasted automakers on issues like fleet subsidies, rebates and mandatory advertising associations. He inspired the creation of the Rough Riders, a group of 1,500 dealers dedicated to pushing the dealers' agenda.

His administration has been highlighted by a whistle-stop tour of major U.S. cities where he spoke to the media on the plight of dealers. He has called dealers "an endangered species."

Tonkin and the NADA recently called on dealers to reduce their inventories to a 15-30 day supply to lower operating costs.

INCENTIVE WATCH

CUSTOMER INCENTIVES

	Rebates	Finance Rates (Pct.) — Months — 24	36	48	60	Expiration Date
Chrysler Motors (1988-89 models)						
Chrysler	$500-$1,000	6.9	7.9	9.9	9.9	None
Dodge cars	$500-$1,000	6.9	7.9	9.9	9.9	None
Dodge trucks	$500-$2,500	6.9	7.9	9.9	9.9	None
Eagle	$750-$1,200	6.9	7.9	9.9	9.9	None
Jeep	$500-$1,000	6.9	7.9	9.9	9.9	None
Plymouth	$500-$750	6.9	7.9	9.9	9.9	None
Chrysler Motors (1990 models)						
Chrysler	**$500-$1,000**	**6.9**	**7.9**	**9.9**	**9.9**	**None**
Dodge cars	**$300-$1,000**	**6.9**	**7.9**	**9.9**	**9.9**	**None**
Dodge trucks	**$500-$2,000**	**6.9**	**7.9**	**9.9**	**9.9**	**None**
Eagle	**$500-$1,000**	**6.9**	**7.9**	**9.9**	**9.9**	**None**
Jeep	**$500-$1,000**	**6.9**	**7.9**	**9.9**	**9.9**	**None**
Plymouth	**$300-$750**	**6.9**	**7.9**	**9.9**	**9.9**	**None**
Ford Motor Co. (1989 models)						
Ford cars	$500-$1,000	6.9	8.9	9.9	10.9	None
Ford trucks*	$500-$1,250	6.9	8.9	9.9	10.9	None
Lincoln	$1,000-$1,500					None
Mercury	$600-$1,500	6.9	8.9	9.9	10.9	None
Merkur	$3,000-$4,000					None
*-Ford truck finance incentive applies only to Ranger, Bronco and Bronco II.						
Ford Motor Co. (1990 models)						
Ford cars	**$500-$1,000**	**6.9**	**8.9**	**9.9**	**10.9**	**None**
Ranger, Bronco, Bronco II, Econoline	**$500-$1,250**	**6.9**	**8.9**	**9.9**	**10.9**	**None**
Mercury Topaz, Cougar, Sable	**$600**	**6.9**	**8.9**	**9.9**	**10.9**	**None**
*-Ford truck finance incentive applies only to Ranger, Bronco and Bronco II.						
General Motors (1989 models)						
Chevrolet cars	$400-$1,000	6.9	8.9	9.9	10.9	None
Chevrolet trucks	$500-$1,250	6.9	8.9	9.9	10.9	None
GMC	$500-$1,250	6.9	8.9	9.9	10.9	None
Oldsmobile	$200-$2,500*	6.9	8.9	9.9	10.9	None
Pontiac	$600-$1,000	6.9	8.9	9.9	10.9	None
*-Based on option package selected						
General Motors (1990 models)						
Buick	**$200-$1,000***	**6.9**	**8.9**	**9.9**	**10.9**	**None**
Chevrolet cars	**$750-$800 on Corsica, Beretta, Lumina, Prizm****	**6.9**	**8.9**	**9.9**	**10.9**	**None**
Chevrolet trucks	**$1,000-$1,250 on S-10 pickup, Blazer**	**6.9**	**8.9**	**9.9**	**10.9**	**None**
GMC	**$1,000-$1,250 on S-15 pickup, Blazer; $750 on full-sized Jimmy and Suburban**	**6.9**	**8.9**	**9.9**	**10.9**	**Jan. 4**
Oldsmobile	**$200-$1,000***	**6.9**	**8.9**	**9.9**	**10.9**	**None**
Pontiac	**$800-$1,000**	**6.9**	**8.9**	**9.9**	**10.9**	**None**
*-Based on option package selected **-$1,400 on Prizm for import owners						
Audi 80 and 100 (1990 models)			5.9	6.9	7.9	Nov. 30
Hyundai Excel (1988-89 models)	$500-$1,000					Jan. 3
Nissan Stanza (1989)	$1,500-$2,000			7.9	9.9	Dec. 4
Sterling (1989)	$3,500-$5,000					Dec. 31
Subaru Justy ('89)	$500-$1,000*					Jan. 3
*-Rebates go to the customer in some regions and to the dealer in other regions.						
Volkswagen (1989 models)	$500-$4,000	2.9	6.9	7.9	9.9	Nov. 30

Ford, Olds, VW adjust rebates

By Arlena Sawyers
AUTOMOTIVE NEWS STAFF REPORTER

Ford Motor Co., Oldsmobile and Volkswagen have adjusted their incentive programs.

Ford increased customer rebates on the 1989 and 1990 Escort to $700 from $600 and on the 1990 Probe GT to $1,000 from $800.

The automaker added 1989 and 1990 Mustangs equipped with 2.3-liter engines and automatic transmissions to the program with a $500 cash rebate.

The rebate on the 1989 Econoline E150 dropped from $1,250 to $500, and a $500 rebate has been placed on the 1990 Econoline E150.

In lieu of cash rebates, customers may choose special finance rates. No expiration date was given for the customer incentives.

The $1,000 dealer incentive on the 1989 and 1990 Taurus SHO has been extended to Jan. 9. Based on quotas, dealers will receive $200 to $500 on 1989 and 1990 regular Taurus, Thunderbird, Tempo, Escort, Aerostar and F-Series trucks. The program expires Jan. 9.

Ford also offers dealers $200 to $400 on 1989 and 1990 Festiva, based on quotas. The program expires Dec. 31.

On the 1989 Ranger, quota-based incentives range from $250 to $750. Dealers can earn $250 on 1990 Ranger and 1989 and 1990 Bronco II. Those programs expire Nov. 27.

Oldsmobile added the Cutlass Supreme four-door to its "Option Bonus Program" that offers customers $200 to $1,000. The program, which runs indefinitely, is offered with alternative financing.

VW raised the customer incentive on its 1989 Vanagon Camper to $4,000 from $3,000 and extended incentives until Nov. 30. Alternative financing is also offered.

INCENTIVE WATCH

DEALER INCENTIVES

	Rebate	Expiration Date
Ford Motor Co. (1989 models)		
Ford Festiva	$200-$400, quota	Dec. 31
Escort, Tempo, Taurus Thunderbird	$200-$500, quota	Jan. 9
Taurus SHO	$1,000	Jan. 9
Ford Ranger	$250-$750, quota	Nov. 27
Bronco II	$250	Nov. 27
Aerostar, F Series	$200-$500	Jan. 9
Ford Motor Co. (1990 models)		
Ford Festiva	**$200-$400, quota**	**Dec. 31**
Escort, Tempo, Taurus, Thunderbird	**$200-$500, quota**	**Jan. 9**
Taurus SHO	**$1,000**	**Jan. 9**
Ford Ranger, Bronco II	**$250**	**Nov. 27**
Aerostar, F Series	**$200-$500, quota**	**Jan. 9**
General Motors (1990 models)		
Buick	**$1,000-$2,000 on Reatta, Riviera, Park Avenue Ultra**	**Nov. 30**
General Motors (1989-90 models)		
All Buick	**$200-$500, quota**	**Jan. 4**
Chevrolet Cars	**$200-$500, quota**	**Jan. 4**
Chevrolet Trucks*	**$200-$500, quota**	**Jan. 4**
GMC*	**$200-$500, quota**	**Jan. 4**
Oldsmobile	**$200-$500, quota**	**Jan. 4**
Pontiac	**$200-$500, quota**	**Jan. 4**
*Excluding S-10 pickup and Blazer and S-15 pickup and Jimmy		
Audi (1989 models)	$2,000-$3,500	Nov. 30
Hyundai (1989-90 models)	$300-$1,500	Jan. 3
Isuzu (1989 models)	$1,500, quota	Dec. 31
Nissan (1989 models) Axxess, trucks	$200-$2,000	Dec. 4
Peugeot (1989 models)	$1,000	Dec. 31
Subaru XT (1989 model)	$1,000-$3,000*	Jan. 3
*-Rebates go to the customer in some regions and to the dealer in other regions.		
Toyota Tercel, Celica (1989 models)	$300-$500	Dec. 4
Corolla, Camry (1989 models)	$500-$800, quota	Jan. 3
Corolla, Camry (1990 models)	**$100-$400, quota**	**Jan. 3**

FIRE

FROM PAGE 2

be affected. They noted that the industry's two primary suppliers of complete air-bag systems — TRW Inc. and Morton International — have begun sourcing limited quantities of sodium azide overseas. But both suppliers acknowledge that there is little excess sodium azide capacity in the world, and nowhere near enough to offset an extended shutdown at McMasterville, the world's largest producer of the substance.

"I think the situation is a little more serious than the carmakers are admitting," said an air-bag industry executive.

The TRW spokesman said the company's current supply of air-bag propellent will last through the end of this year. A Morton spokeswoman said Morton's supply will last "three to four months."

A one-month delay on air-bag deliveries to the industry during the next year could affect production of about 200,000 cars.

Federal rules now require passive restraints in all cars built after Sept. 1, 1989. Automakers have been meeting the standards by installing either air bags or automatic seat belts.

An NHTSA spokesman declined to say whether the agency is discussing a reprieve for carmakers if they are left without air bags.

TRW and Morton International were apparently under the initial impression that the latest fire would interrupt production only two to three weeks. But CIL, a subsidiary of Imperial Chemical Industries in the United Kingdom, has assembled a committee of chemical experts from Great Britain and the United States to investigate the situation. One source described it as "mystifying."

According to the CIL spokeswoman, production will be halted until the committee determines why the chemical is erupting and learns how to prevent it.

"They can't just stop producing the stuff," said Claude Gianino, a spokesman for TRW, which supplies about 50 percent of the air-bag market. "GM, Ford and Chrysler aren't going to shut down just because some British chemical company doesn't want to make a product any more. There will be cannons on their heads and lawsuits on their back if they don't move quickly on this thing."

At least four other fires and explosions have occurred in the past year at factories where sodium azide is blended and packed into metal canisters. The canisters are then inserted into modules, which are housed in the steering column of cars with driver-side air bags.

When a car's sensors signal a collision, an electrical impulse is relayed to the module, and the air bag inflates with nitrogen gas.

The factory mishaps apparently were caused by the presence of moisture on the water-sensitive material. The CIL spokeswoman said the company simply does not know what is causing the Quebec eruptions.

Approximately 3.3 million cars are scheduled to contain air bags this model year, up from about 480,000 in 1989. Chrysler Motors has made the biggest commitment this year. Air bags are standard equipment in virtually all of its U.S.-built cars. Ford Motor Co. has scheduled air bags for about one million cars, and General Motors has air bags on more than a dozen models.

After CIL's Oct. 8 supply interruption, TRW and Morton scrambled to source sodium azide from the world's only other manufacturers of the ingredient — one in West Germany and one in Japan. The Japanese source is already producing at capacity, and the European operation is not large enough to serve as a primary supplier.

The TRW spokesman said the company is paying "a premium price" for the replacement material, but said the cost is "acceptable for a temporary situation."

TRW and Morton are also negotiating to obtain the compound from new plants in India and South Africa, but those facilities have not yet begun production.

"Prudence would tell you not to have a single source on something that's this important," the TRW spokesman said.

Neither TRW nor Morton would speculate on what it will do if the McMasterville plant fails to resume production by year's end.

PRODUCTION

GM output of new vans is 19,252

By Kathy Boyer
AUTOMOTIVE NEWS STAFF REPORTER

General Motors has produced an estimated 19,252 of its new 1990-model plastic-bodied minivans. Last week's scheduled output of the three minivans built at GM's Tarrytown, N.Y., plant was 2,043.

That total was divided this way: Chevrolet Lumina APV, 1,194; Pontiac Trans Sport, 539; and Oldsmobile Silhouette, 310.

Truckmakers built 315,534 units in October, 1.99 percent more than September's 309,388 but 11.34 percent below the year-ago mark.

Last week's scheduled truck build of 76,649 dipped 8.29 percent from the prior week's figure and 15.05 percent from the year-ago week.

Automakers built 620,406 cars in October, 7.77 percent more than the September total of 575,698 but 6.87 percent below the 666,199 built in October 1988.

Car assembly was targeted at 131,900 units last week, 8.47 percent below the prior week and 20.54 percent below the year-ago week.

Last week's estimated production was split as follows among the 10 car builders: General Motors, 40.99 percent; Ford Motor Co., 26.52 percent; Chrysler Motors, 13.21 percent; Honda of America Manufacturing, 5.50 percent; Mazda Motor Manufacturing (U.S.A.) Corp., 3.39 percent; Toyota Motor Manufacturing U.S.A., 3.11 percent; New United Motor Manufacturing Inc., 2.87 percent; Diamond-Star Motors, 2.41 percent; Nissan Motor Manufacturing Corp. U.S.A., 1.59 percent; and Subaru-Isuzu Automotive, 0.41 percent.

Subaru-Isuzu in Lafayette, Ind., was added to the Automotive News statistics last week.

GM idled its Flint, Mich., and Pontiac (Mich.) West plants because of sluggish sales.

GM plants in Fairfax, Kan.; and Wilmington, Del.; and its Pontiac Grand Am line at the Lansing, Mich., plant resumed output today after being idle because of slow sales.

Ford said it will reduce output at its truck plant in Louisville, Ky., by 20 percent beginning Jan. 15. About 300 to 350 workers will be laid off.

Canada cars up, but trucks slip

Canadian auto production in October totaled 93,259, 11.92 percent above September's 83,324 and 6.53 percent more than the year-ago month's 87,544.

Truck assembly last month of 79,979 slid 2.35 percent from September's 81,900 and dipped 5.49 percent from the October 1988 total of 84,629.

Hyundai Auto Canada was added to the Automotive News statistics last week.

Chrysler's Brampton, Ontario, plant reopened today after being idle for two weeks because of high inventories of the Jeep Wrangler.

U.S. CAR	Week Ended Nov. 11, 1989	Week Ended Nov. 12, 1988	Week Ended Nov. 4, 1989	Oct. Total	Jan. 1 to Nov. 11, 1989	Jan. 1 to Nov. 12, 1988
Horizon	1,100	2,082	1,125	4,895	29,596	70,511
Sundance	2,000	2,334	1,996	8,332	89,820	90,143
Reliant	0	2,178	0	0	0	79,711
Acclaim	3,100	773	3,372	12,932	112,589	1,818
Caravelle	0	0	0	0	0	9,265
Gran Fury	0	483	0	0	0	18,505
Total Plymouth	6,200	7,850	6,493	26,159	231,985	269,953
LeBaron K	0	0	0	0	0	7,912
LeBaron J	0	2,611	0	5,486	85,779	73,822
LeBaron GTS	0	179	0	0	2,946	8,106
N. Yorker C-Class	900	2,244	835	3,839	69,838	92,473
Fifth Avenue	800	1,023	833	4,902	22,216	26,645
Imperial	600	0	458	1,492	2,561	0
Total Chrysler	2,300	6,057	2,126	15,719	183,340	210,958
Omni	1,200	2,052	1,249	5,486	31,624	69,423
Daytona	0	1,779	0	3,696	66,925	67,944
Shadow	2,600	2,063	2,422	9,792	89,263	88,974
Aries	0	2,506	0	0	0	78,809
Dodge 600	0	0	0	0	0	8,549
Dynasty	3,000	3,086	2,734	11,038	115,743	96,181
Lancer	0	214	0	0	1,528	7,978
Spirit	2,200	787	2,188	11,502	96,765	1,515
Diplomat	0	525	0	0	0	17,111
Total Dodge	9,000	13,012	8,593	41,514	401,848	436,484
CHRYSLER MOTORS	17,500	26,919	17,212	83,392	817,173	917,395
Escort	9,863	9,523	9,966	42,267	310,879	361,182
Mustang	0	3,457	3,714	16,239	171,966	176,918
Tempo	3,054	3,655	2,402	13,561	130,317	161,744
Taurus	7,348	8,460	8,120	35,455	316,353	346,675
Thunderbird	2,697	1,696	2,450	5,168	125,252	96,266
Total Ford Div.	22,962	26,793	26,652	112,890	1,054,787	1,142,785
Topaz	1,036	1,295	699	4,984	59,238	62,07[illegible]
Cougar	2,706	1,719	2,447	4,904	107,677	75,674
Sable	2,833	3,081	3,014	12,783	105,784	118,283
Total Mercury	6,575	6,095	6,160	22,671	272,599	256,032
Continental	1,675	1,535	1,467	6,810	56,988	46,075
Mark VII	557	766	484	2,246	18,474	24,128
Lincoln Town Car	3,354	2,305	2,942	13,599	109,074	109,241
Total Lincoln	5,586	4,606	4,893	22,655	184,536	179,444
Total L-M Division	12,161	10,701	11,053	45,326	457,235	435,476
FORD MOTOR CO	35,123	37,494	37,705	158,016	1,512,022	1,578,261
Skyhawk	0	1,170	0	0	6,913	23,400
Skylark/Somerset	1,920	1,767	1,962	8,456	57,540	45,498
Century	2,348	4,765	2,364	8,739	111,657	123,396
Riviera	588	633	587	2,433	17,703	9,831
Electra	1,585	2,544	1,966	7,293	70,284	77,599
LeSabre (fwd)	3,570	2,796	3,523	15,589	135,479	118,524
LeSabre (rwd)	263	226	262	1,005	6,798	8,697
Reatta	207	263	207	907	5,631	8,722
Total Buick	10,481	14,164	10,871	44,422	412,005	415,667
Cimarron	0	0	0	0	0	3,693
Eldorado	654	775	646	3,080	26,152	31,077
Seville	712	579	724	2,601	19,981	20,261
Brougham (rwd)	158	912	0	6,422	47,370	30,845
Deville (fwd)	3,680	4,776	3,638	17,870	161,414	137,632
Allante	75	75	75	330	2,767	1,819
Total Cadillac	5,279	7,117	5,083	30,303	257,684	225,327
Cavalier	7,320	7,790	8,248	35,676	319,039	314,203
Camaro	1,805	3,042	2,031	8,634	89,039	86,029
Celebrity	0	5,683	0	0	70,720	164,564
Corsica/Beretta	4,320	9,105	8,632	16,960	320,379	380,557
Caprice	1,700	3,963	1,266	9,007	147,838	182,842
Corvette	565	540	501	1,904	22,077	20,046
Total Chevrolet	16,310	30,143	20,678	72,181	969,092	1,148,241
Calais	1,680	2,987	1,725	7,400	78,509	101,903
Firenza	0	0	0	0	0	5,230
Cutlass Ciera	1,908	1,322	1,912	5,916	75,447	29,451
Cutlass Supreme	4,030	3,468	4,080	17,612	103,589	126,441
Toronado	294	330	292	1,207	8,237	13,474
88 (fwd)	3,530	3,312	3,950	17,494	126,822	138,322
88 (rwd)	63	161	0	856	6,724	9,951
Olds 98	1,520	1,744	1,512	6,635	63,523	64,816
Total Oldsmobile	13,025	13,324	13,471	57,120	462,851	489,596
Sunbird	4,478	2,920	4,106	16,394	132,075	96,534
Grand Am	0	5,760	4,880	21,157	204,775	212,741
Firebird	1,445	2,021	1,173	5,596	50,880	57,475
Grand Prix	0	4,000	0	11,720	111,955	127,039
Pontiac 6000	1,530	2,381	1,509	5,014	70,022	81,314
Bonneville	1,744	2,976	2,127	8,445	82,883	105,968
Safari/Parisienne	0	101	0	0	2,691	6,750
Fiero	0	0	0	0	0	13,297
Total Pontiac	9,195	20,159	13,795	68,326	654,181	701,118
GENERAL MOTORS	54,290	84,907	63,898	272,332	2,755,813	2,979,951
DIAMOND-STAR	3,187	0	3,452	13,346	74,663	0
HONDA	7,290	7,529	7,482	30,079	320,794	323,844
Civic	2,530	2,572	3,135	14,778	119,155	96,107
Accord	4,760	4,957	4,347	15,301	201,639	227,737
MAZDA†	4,485	5,702	4,484	19,914	180,233	133,924
NISSAN	2,100	2,037	2,056	9,550	102,261	97,971
NUMMI	3,800	1,409	3,807	15,974	172,937	117,678
Corolla	1,700	1,409	1,753	7,024	70,748	47,108
Geo Prizm/Nova	2,100	0	2,054	8,950	102,191	70,567
SUBARU-ISUZU*	540	0	540	2,000	3,280	0
TOYOTA	4,125	0	4,000	17,783	127,814	0
VOLKSWAGEN	0	0	0	0	0	35,997
Golf/GTI	0	0	0	0	0	30,444
Jetta	0	0	0	0	0	5,553
Total Cars, U.S.	132,440	165,997	144,646	622,408	6,066,990	6,185,021
Total Cars, Canada	26,995	16,207	26,253	93,259	870,462	921,627
U.S., Canada Cars	159,435	182,204	170,898	715,685	6,937,452	7,106,648
U.S., Canada Cars and Trucks	252,404	292,207	271,300	795,644	11,385,804	11,526,289

Monthly estimates may contain errors of one or two units due to rounding.
†—Total includes 929, 626, and Ford Probe.

CANADIAN CAR	Week Ended Nov. 11, 1989	Week Ended Nov. 12, 1988	Week Ended Nov. 4, 1989	Oct. Total	Jan. 1 to Nov. 11, 1989	Jan. 1 to Nov. 12, 1988
Premier	1,275	1,277	1,291	1,559	30,848	52,686
CHRYSLER MOTORS	1,275	1,277	1,291	1,559	30,848	52,686
Tempo	1,440	2,320	1,338	10,219	111,940	151,345
Topaz	3,360	1,124	3,147	4,365	52,968	60,051
Crown Victoria	2,866	2,939	2,710	10,604	103,631	112,430
Grand Marquis	2,894	2,887	3,007	11,760	112,127	114,248
FORD MOTOR CO.	10,560	9,270	10,202	36,948	380,666	438,074
Celebrity	1,087	397	1,086	3,347	21,632	18,380
Cutlass Ciera	2,143	3,574	2,034	6,124	106,630	197,139
Lumina	7,192	0	6,506	26,885	154,074	0
Pontiac 6000	0	0	0	0	0	29,690
Regal	1,608	0	1,976	6,123	68,682	139,603
GENERAL MOTORS	12,030	3,971	11,602	42,479	350,998	384,812
HONDA	2,100	1,545	2,128	7,954	73,643	40,537
HYUNDAI*	300	0	300	1,290	12,680	0
TOYOTA	550	0	550	2,273	14,573	0
VOLVO	180	144	180	756	7,054	5,518
Total Cars, Canada	26,995	16,207	26,253	93,259	870,462	921,627

U.S. TRUCK	Week Ended Nov. 11, 1989	Week Ended Nov. 12, 1988	Week Ended Nov. 4, 1989	Oct. Total	Jan. 1 to Nov. 11, 1989	Jan. 1 to Nov. 12, 1988
Caravan	2,100	2,078	2,165	10,525	93,482	80,360
Dakota	2,400	2,235	1,918	4,011	81,939	94,931
Caravan C/V	100	238	86	452	5,854	10,813
Ram pickups	2,000	2,238	1,603	3,336	80,695	73,436
Total Dodge	6,600	6,789	5,772	18,324	261,970	259,540
Cherokee	4,200	4,604	4,171	14,114	187,462	162,626
Comanche	350	846	341	1,353	23,778	39,080
Grand Wagoneer	300	350	0	325	8,752	12,249
Wagoneer	150	202	191	617	7,015	9,566
Total Jeep	5,000	6,002	4,703	16,409	227,007	223,521
Voyager	1,900	1,888	2,003	10,061	87,382	74,706
Town & Country	25	0	30	153	3,057	0
Total C-P Div.	1,925	1,888	2,033	10,214	90,439	74,706
CHRYSLER MOTORS	13,525	14,679	12,508	44,947	579,416	554,221
Aerostar	3,218	4,042	4,862	18,249	194,429	180,679
Bronco	1,348	1,686	1,148	4,912	62,963	48,984
Bronco II	2,774	2,706	2,584	10,312	103,657	105,740
Econoline	2,087	5,481	3,751	17,245	190,984	210,102
Mediums/Heavies	1,295	1,311	1,309	3,033	51,185	57,416
Light trucks	9,979	10,618	10,957	46,595	458,914	430,771
Ranger	6,060	6,232	6,235	27,991	274,473	283,517
Total Ford Div.	26,761	32,076	30,846	128,337	1,334,585	1,317,209
FORD MOTOR CO.	26,761	32,076	30,846	128,337	1,334,585	1,317,209
Astro	2,939	4,261	3,195	13,397	142,383	155,302
Blazer	468	529	311	1,264	23,409	23,198
Lumina APV*	1,194	0	1,190	3,944	12,500	0
Mediums/Heavies	322	444	296	889	6,568	17,554
P-Model	761	897	0	1,540	25,957	36,834
Pickups	7,653	8,132	7,506	34,036	352,314	321,008
S-10	1,856	6,012	5,554	8,944	209,782	267,282
S-10 Blazer	3,032	4,437	3,102	6,838	154,556	149,326
Sportsvan/Van	1,771	2,246	1,788	8,029	84,118	84,324
Suburban	1,016	1,408	150	3,169	63,828	62,025
Total Chevrolet	21,012	28,366	23,092	82,050	1,065,279	1,116,853
Jimmy	234	167	396	402	7,512	6,764
Mediums/Heavies	568	507	548	1,602	11,556	31,739
P-Model	119	123	0	199	3,520	4,618
Pickups	2,237	2,651	2,477	10,284	106,829	98,627
S-15	465	1,294	1,210	1,064	50,858	61,276
S-15 Jimmy	1,288	1,152	1,379	2,140	45,165	42,079
Safari	1,121	976	939	3,533	38,593	39,770
Suburban	1,091	675	1,965	1,831	28,868	27,503
Vandura/Rally Vans	689	675	673	2,918	26,165	30,052
Total GMC	7,812	8,220	9,587	23,973	319,066	342,428
Olds Silhouette*	310	0	300	990	2,315	0
Pontiac Trans Sport*	539	0	530	1,974	4,437	0
GENERAL MOTORS	29,673	36,586	33,509	108,987	1,386,024	1,459,281
NAVISTAR	0	1,733	0	5,954	67,185	75,528
NISSAN	2,700	2,399	2,724	10,229	105,814	81,410
SUBARU-ISUZU*	540	0	540	1,900	3,280	0
AM GENERAL*	450	450	450	1,980	19,890	20,160
MISCELLANEOUS*	3,000	2,300	3,000	13,200	126,600	103,040
Total Trucks, U.S.	76,649	90,223	83,577	315,534	3,622,794	3,610,849

CANADIAN TRUCK	Week Ended Nov. 11, 1989	Week Ended Nov. 12, 1988	Week Ended Nov. 4, 1989	Oct. Total	Jan. 1 to Nov. 11, 1989	Jan. 1 to Nov. 12, 1988
Caravan	2,239	3,099	3,581	13,288	127,003	123,340
Caravan C/V	66	187	105	406	8,900	10,669
Ram Wagon	307	500	0	1,819	21,970	23,119
Ram Van	1,001	1,448	0	7,269	62,062	63,077
Total Dodge	3,613	5,234	3,686	22,782	219,935	220,205
Voyager	1,663	2,386	2,638	10,920	108,921	110,982
Total Plymouth	1,663	2,386	2,638	10,920	108,921	110,982
Wrangler	0	1,304	0	1,240	63,513	44,911
Total Jeep	0	1,304	0	1,240	63,513	44,911
CHRYSLER MOTORS	5,276	8,924	6,324	34,942	392,369	376,098
FORD MTR. (lt. trks.)	3,648	3,586	3,506	14,115	142,636	141,646
Light trucks	3,789	3,383	3,670	15,661	141,856	135,392
Vans	1,460	1,503	1,618	6,125	52,899	52,424
Total Chevrolet	5,249	4,886	5,288	21,786	194,555	187,816
Light trucks	1,457	1,507	1,305	6,204	62,759	66,931
Vans	490	800	402	2,166	23,686	26,103
Total GMC	1,947	2,107	1,707	8,370	86,445	93,034
GENERAL MOTORS	7,196	6,993	6,995	30,156	281,000	280,850
NAVISTAR	200	275	0	766	9,553	10,198
Total Trks., Canada	16,320	19,780	16,825	79,979	825,558	808,792
U.S., Canada Trks.	92,969	110,003	100,402	395,513	4,448,352	4,419,641

*—Estimated
Miscellaneous includes estimates for Isuzu, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.